



*United States Attorney
Southern District of New York*

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**ATTORNEY SENTENCED TO 48 MONTHS IN FEDERAL PRISON IN
MASSIVE SCHEME TO DEFRAUD ELECTRONIC DATA SYSTEMS;
FORMER CFO SENTENCED TO ONE YEAR AND ONE DAY IN FEDERAL
PRISON FOR SAME SCHEME**

MICHAEL J. GARCIA, United States Attorney for the Southern District of New York announced the sentencing in Manhattan federal court of JOHN FASCIANA and JOSEPH AMATO for their participation in a sophisticated scheme to defraud Electronic Data Systems Corporation ("EDS") out of tens of millions of dollars. The defendants were convicted by a jury after an eleven-week trial before United States District Judge LAURA TAYLOR SWAIN, who imposed the sentences. FASCIANA was sentenced to 48 months in prison on Monday evening; AMATO was sentenced to one year and one day in prison today.

The evidence at trial established that FASCIANA, an attorney and Certified Public Accountant, and AMATO, the former CFO of EDS's Global Securities Industry Group ("GSIG"), participated in an elaborate scheme to defraud EDS. As part of the scheme, FASCIANA and AMATO helped co-defendant, MICHAEL REDDY -- the Chairman and CEO of GSIG -- and others steal hundreds of thousands of dollars from EDS by stealing checks sent to EDS for payment for services performed by EDS, and then laundering those checks through FASCIANA's attorney trust account. The evidence also revealed that FASCIANA and AMATO helped REDDY falsify and alter GSIG's books and records in order to make it appear that GSIG had met various revenue and profit targets. By engaging in these falsifications and alterations, REDDY and others reaped millions of dollars in bonuses under EDS's incentive compensation agreement plan ("ICP"). The evidence established that FASCIANA made over \$350,000 from the scheme through secret side deals he had entered into with REDDY and others. The evidence established that AMATO made over \$70,000 from the scheme.

FASCIANA and AMATO were found guilty of one count of conspiracy to commit mail fraud and wire fraud. FASCIANA was also found guilty of eight counts of mail fraud, and three counts of wire fraud. AMATO also was found guilty of two counts of mail fraud.

JOHN FASCIANA, age 61, lives in Bedford Hills, New York.

JOSEPH AMATO, age 65, lives in Wyckoff, New Jersey.

MICHAEL REDDY, previously lived in Saddle Brook, New Jersey. He died before trial.

Assistant United States Attorneys MARCUS A. ASNER and JOSEPH V. De MARCO are in charge of the prosecution.

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